



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: FY1995-96 Bulk Purchased Power Budget Credit

MEETING DATE: November 6, 1996

SUBMITTED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council approve the use funds in the amount of \$807,271 from the Northern California Power Agency (NCPA) Phase IIA Resource Development Fund as a credit against FY1995-96 Bulk Purchased Power expenses.

BACKGROUND: Initially, use of funds resulting from the NCPA FY1994-95 Budget Settlements was incorporated in the development of the Electric Utility Department FY1995-96 Budget. The above amount was temporarily placed in the NCPA General Operating Reserve (GOR).

It is now recommended that the NCPA Phase IIA Resource Development fund be used instead, and the settlement proceeds be left in the GOR. With few needs for new electric resource development for the next several years, the NCPA Phase IIA Resource Development Fund is disproportionately large.

After the NCPA FY1995-96 Budget Settlements, future settlements are expected to be much smaller due to use of less conservative budget estimates as directed by the NCPA Commission.

FUNDING: NCPA Phase IIA Resource Development Fund

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Alan N. Vallow
Electric Utility Director

Prepared by
ANV/JS/pn

cc: City Attorney

APPROVED

A handwritten signature in black ink, appearing to read "H. Dixon Flynn".

H. Dixon Flynn
CITY MANAGER

October 30, 1996